

# FY 2007-08 BUDGET

## SUMMARY OF REVENUES AND EXPENDITURES

**Section Title:** FACILITIES FUND

**Section/Index No:** 687202

Sub-Object No. and Title	Adopted 2006-07	Requested 2007-08	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
1700 Interest on Pooled Cash	\$4,000	\$35,625	\$31,625	790.63%
1801 Rent - Real Estate	3,967,911	2,612,914	(1,354,997)	(34.15%)
<b>Subtotal Use of Money</b>	<b>\$3,971,911</b>	<b>\$2,648,539</b>	<b>(\$1,323,372)</b>	<b>(33.32%)</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
4200 ENT - LTD Proceeds	\$950,000	\$0	(\$950,000)	(100.00%)
4209 ENT - LTD Proceeds - Clearing	(950,000)	0	950,000	(100.00%)
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b><u>OTHER FINANCING SOURCES</u></b>				
4625 OT - W/in Special Dist - BOS	\$1,217,962	\$0	(\$1,217,962)	(100.00%)
<b>Subtotal Other Financing Sources</b>	<b>\$1,217,962</b>	<b>\$0</b>	<b>(\$1,217,962)</b>	<b>(100.00%)</b>
<b>TOTAL REVENUES</b>	<b>\$5,189,873</b>	<b>\$2,648,539</b>	<b>(\$2,541,334)</b>	<b>(48.97%)</b>

### EXPENDITURES:

#### **SERVICES AND SUPPLIES**

6040 Communications	\$80,000	\$60,000	(\$20,000)	(25.00%)
6085 Janitorial Services	120,000	118,000	(2,000)	(1.67%)
6180 Maintenance - Buildings	450,000	212,000	(238,000)	(52.89%)
6190 Landscape Service	30,000	30,000	0	0.00%
6522 District Services	100,000	0	(100,000)	(100.00%)
6523 District Operations	0	100,000	100,000	N/A
6570 Consultant Services	1,310,000	0	(1,310,000)	(100.00%)
7206 Equipment Usage Charge	0	23,000	23,000	N/A
7320 Utilities	300,000	150,000	(150,000)	(50.00%)
<b>Subtotal Services and Supplies</b>	<b>\$2,390,000</b>	<b>\$693,000</b>	<b>(\$1,697,000)</b>	<b>(71.00%)</b>

#### **OTHER CHARGES**

7920 Interest	\$535,143	\$425,808	(\$109,335)	(20.43%)
7980 Depreciation	636,000	738,000	102,000	16.04%
<b>Subtotal Other Charges</b>	<b>\$1,171,143</b>	<b>\$1,163,808</b>	<b>(\$7,335)</b>	<b>(0.63%)</b>

## SUMMARY OF REVENUES AND EXPENDITURES

Index No.: 687202

Sub-Object No. and Title	Adopted 2006-07	Requested 2007-08	Difference	Percent Change
<b><u>FIXED ASSETS</u></b>				
8500 Land	\$0	\$0	\$0	N/A
8510 Buildings/Improvements	0	240,000	240,000	N/A
<b><i>Subtotal Fixed Assets</i></b>	<b>\$0</b>	<b>\$240,000</b>	<b>\$240,000</b>	<b>N/A</b>
<b><u>ADMIN CONTROL</u></b>				
9200 ENT - Principal	\$594,060	\$516,106	(\$77,954)	(13.12%)
9209 ENT - Principal Clearing	(594,060)	(516,106)	77,954	(13.12%)
<b><i>Subtotal Admin Control</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$3,561,143</b>	<b>\$2,096,808</b>	<b>(\$1,464,335)</b>	<b>(41.12%)</b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>(\$1,628,730)</b>	<b>(\$551,731)</b>	<b>\$1,076,999</b>	<b>(66.13%)</b>

**FY 2007-08 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Internal Service Fund

**Section Title:** Facilities Fund

**Character:** Use of Money and Property

**Character No.:** 687202-17

***1700 Interest on Pooled Cash***

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$750,000
Projected Interest Rate	4.75%
Projected/Planned Interest on Pooled Cash	\$35,625

***1801 Rent - Real Estate***

This account records the rental income received for the Agency's General Fund for use of Agency Administrative, Flood Control, and Operations and Maintenance facilities and maintenance facilities at the Airport treatment plant. Rental income will be maintained at a level sufficient to cover facilities operations and maintenance costs, debt service, and depreciation.

**Character:** Services and Supplies

**Character No.:** 687202-60

***6040 Communications***

PCAS No. Various

This item covers costs for the telephone system upgrades at the Administration Building

***6085 Janitorial Services***

PCAS No. 516

This item is requested to provide funds for custodial services for the Agency's Administration building and O&M Center.

***6180 Maintenance - Buildings***

PCAS No. 516

Maintenance - Buildings covers all maintenance costs of the Agency's administrative office complex and the maintenance building at the Airport treatment plant.

***6190 Landscape Service***

PCAS No. 516

Landscape Service covers the cost of grounds and landscape maintenance at the administrative complex. No increase is requested.

***6522 District Services***

For FY 07-08 District Services are budgeted under Sub-Object 6523.

***6523 District Operations***

PCAS No. Various

This item is requested to provide funds to charge salary and benefits for staff assigned to projects that deal with the Administration building at 404 Aviation Blvd. This new account is being set-up to isolate labor activities.

***7206 Equipment Usage Charge***

PCAS No. Various

This item is requested to provide funds for equipment usage.

***7320 Utilities***

PCAS No. 516

This item includes the costs of gas, electric, and water at the Agency's College Avenue complex and the maintenance building at the Airport treatment plant. Budget reduction is due to the Aviation complex generating it's own power.

**FY 2007-08 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Internal Service Fund

**Section Title:** Facilities Fund

**Character Title:** Other Charges

**Character No.:** 687202-75

**7920 Interest**

This account reflects the interest expense on the loan to purchase the new Administrative facility in the Airport Business Park and the capital lease for the Photovoltaic project

**7980 Depreciation**

This item is requested to provide appropriations for depreciation of the Agency's Administrative Offices and the maintenance facilities at the Airport treatment plant. No cash expenditure of funds is made.

**Character:** Fixed Assets

**Character No.:** 687202-85

**8500 Land**

PCAS No. 3107 (Admin Bldg Expansion)

This item is requested to provide funds for land acquisition for facilities expansion. No funds are requested for FY 07-087.

**8510 Buildings/Improvements**

These funds will be used for:

- 1) Fueling Station (\$150,000) and Automatic Gate (\$25,000) at the Airport Plant.
- 2) Replace HVAC for Administration Building-College Avenue (\$65,000)

**Character Title:** Administrative Control Account

**Character No.:** 687202-92

**9200 Ent - Principal**

This account reflects the principal payments due on the outstanding loan for the purchase of the new Administrative facility in the Airport Business Park. Payments began on April 15, 2004 and will continue semi-annually until April 2016. The principal payment is based on the loan amortization schedule.

The following reflects the principal payment history to date:

Original Amount of the Loan:	\$ 8,800,000
Total FY 03-04 through FY 05-06 Principle Payments:	(904,654)
FY 06-07 Principal Payment:	(\$391,992)
Outstanding Loan Amount	<u>\$7,503,354</u>

This account reflects the principal expense for the capital lease. Payments began on October 1, 2005 and will continue semi-annually until April 1, 2020. The request for the forthcoming fiscal year is based on the rental payment schedule.

The following reflects the principal payment history to date:

Original Amount of the Capital Lease:	\$2,000,000
Total FY 05-06 Principle Payments:	(75,107)
FY 06-07 Principal Payment:	(101,033)
Outstanding Loan Amount	<u>\$1,823,860</u>

**9209 Ent - Principal Clearing**

This is the clearing account for sub-object 9200, Ent - Principal.

**FY 2007-08 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Internal Service Fund  
**Section:** Facilities Fund  
**Index No.:** 687202

DESCRIPTION OF FUND ACTIVITY	Actual FY 05-06	Estimated FY 06-07	Requested FY 07-08
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>(\$506,043)</b>	<b>(\$1,091,926)</b>	<b>\$646,071</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	\$3,535,117	\$4,251,609	\$2,648,539
Expenditures - (Decrease) fund balance	(\$3,930,436)	(\$2,568,264)	(\$2,096,808)
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	(\$395,319)	\$1,683,345	\$551,731
<b>Adjustments to Reserves/Encumbrances:</b>			
Outstanding Encumbrance - Net Change	(115,661)	-	-
Post Audit Adjustment - Payables	(4,271)	-	-
Post Audit Adjustment - Prepaid Expense	6,990	-	-
9200 Enterprise - Principal-Capital Lease	(374,382)	(594,060)	(\$516,106)
Increase in Capital Lease Payable	(314,893)	-	-
7980 Depreciation	611,653	648,712	738,000
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	(\$190,564)	\$54,652	\$221,894
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>(\$1,091,926)</b>	<b>\$646,071</b>	<b>\$1,419,696</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>(\$585,883)</b>	<b>\$1,737,997</b>	<b>\$773,625</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/05</b>	<b>7/1/06</b>	
Cash	(\$305,336)	\$52,526	
Prepaid Expense	0	12,660	
Accounts Payable	(42,427)	(394,479)	
Retention Payable	0	(177,426)	
Interest Payable	(80,113)	(76,486)	
Capital Lease Payable	(77,100)	(391,993)	
Encumbrances	(1,067)	(116,728)	
<b>Total Beginning Fund Balance</b>	<b>(\$506,043)</b>	<b>(\$1,091,926)</b>	